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DIRECTOR OF CENTRAL INTELLIGENCE

Security Committee

OS REGISTRY
FILE 07.2-5

SECOM-M-264

23 February 1983

Minutes
Two Hundred and Sixtieth Meeting
Wednesday, 23 February 1983, 0900-1200 Hours
Room 4E-64, Langley Headquarters Building

[Redacted]

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Chairman
Presiding

MEMBERS PRESENT

Mr. Robert C. Allen, Department of the Navy
Mr. Maynard Anderson, Office of Secretary of Defense
Mr. Lloyd E. Dean, Federal Bureau of Investigation
[Redacted], USA, Defense Intelligence Agency
Mr. John McNamara, Office of the Secretary of the Air Force
[Redacted] National Security Agency
Col. Donald A. Press, Department of the Army
Mr. Jerry Rubino, Department of Justice
Mr. Dennis E. Southern, Department of the Treasury

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ALTERNATES PRESENT

Lt. Col. Raymond E. Abel, Department of the Air Force
Mr. Frank Dill, Department of the Army
Mr. Dan Downum, Federal Bureau of Investigation
Capt. William C. Horn, USA, Department of the Navy
Mr. Louis C. Kachulis, Department of State
[Redacted] Central Intelligence Agency
[Redacted] Central Intelligence Agency

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ALSO PRESENT

[Redacted] Defense Intelligence Agency
[Redacted] Central Intelligence Agency
Mr. Frederick K. Crosher, Department of State
[Redacted] Intelligence Community Staff
[Redacted] Central Intelligence Agency
[Redacted] National Security Agency
[Redacted] Central Intelligence Agency
Mr. Peter Nelson, Office of the Secretary of Defense

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[redacted], Central Intelligence Agency
[redacted] Defense Intelligence Agency

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Mr. Franklin Standifer, Department of Justice (DEA)

Mr. Donald Stigers, Department of State

Mr. Robert Wingfield, Department of Energy

Mr. Donald Paschal, Executive Secretary

[redacted] SECOM Staff

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Preliminary Comments

The Chairman:

1. Introduced [] as the newest member of the Committee staff. 25X1
[] noted that [] was an old CIA associate who had spent many 25X1
years in audio countermeasures and who had most recently been involved in 25X1
computer security in connection with the SAFE project. [] also 25X1
introduced [] COMSEC Division, CIA Office of Communications, as 25X1
a new observer. [] 25X1
2. Advised that he had started a new system for getting background 25X1
information to members in a manner which helped reduce the length of his pre-
liminary comments. He said the first Chairman's Notes were in the mail to
members. [] 25X1
3. Noted that he had sent members copies of initial FY 1985 budget 25X1
proposals from subcommittee chairmen, asking for responses ranking those
proposals in priority order. [] 25X1
4. Reported on his 15 February meeting with the Industrial Security 25X1
Working Group (ISWG) at a cleared contractor facility in the area.
[] said he briefed ISWG members on the SECOM mission, structure, 25X1
membership and principal activities. The briefing was well received; some
ISWG members stated their disappointment at the lack of support SECOM has
received for measures to deal with leaks. [] 25X1
5. Reminded members of the eighth running of the SCI Adjudicators 25X1
Conference scheduled for the week of 7-11 March. [] asked those 25X1
who had not yet submitted their nominations to do so immediately. [] 25X1
6. Said that he had scheduled a special SECOM meeting on Wednesday, 25X1
30 March 1983, to hear and discuss program presentations by the chairmen of
the R&D Subcommittee and of the Security Advisory Group USSR.
[] noted that this was in response to interest in such 25X1
presentations expressed by members at the 26 January meeting. He stated that
other subcommittee presentations would not be scheduled until a need arises.
[] 25X1
7. Advised that the [] team is on site in Moscow, carrying out 25X1
assigned security duties. [] said more would be provided on 25X1
this effort at the 30 March program presentation by SAG USSR. [] 25X1
8. Noted that SECOM does not have a mechanism to staff the many issues 25X1
that arise in physical and industrial security. [] asked for 25X1
member comments on establishment of a working group on these subjects.
Mr. Anderson said he thought this was worth exploring. Mr. Wingfield said GSA
still had a physical security standards group, although it did not appear to
be active. He stated that there might be interest in revitalizing that
group. [] asked members to provide him comments on the 25X1
desirability and composition of a SECOM working group to deal with physical
and industrial security. [] 25X1

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ITEM I DCID 1/14 Revision

[] noted that members had been sent the report of the Personnel Security Subcommittee with the proposed draft revision of DCID 1/14. He advised that Mr. Elder, NFIB/NFIC Executive Secretary, had agreed to leave the DCID 1/14 designation intact in order to help ensure continuity of understanding in appeals and litigation concerning them. [] said the two basic issues were scope of coverage and language on the polygraph. []

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Mr. Anderson discussed his proposal for reducing the 15-year scope to a 10-year requirement. He said Defense had done several studies on the subject, the most recent one in July-August 1982, with results summarized in his 22 September memo. He advised that Defense would begin its periodic reinvestigation program on 1 April 1983. Mr. Anderson said the balance of resources between initial and update investigations is a DoD concern. DoD's experience is that recent activities and behavior are most influential in guiding adjudications - not old conduct or involvement. He said DoD plans to extend SCI investigative standards to Top Secret clearances beginning on 1 January 1984. He stated that most of their investigations requiring extended scope coverage (e.g., more than 10 years) were on contractor personnel. [] stated that reducing scope from 15 to 10 years would result in an estimated reduction of from 3 to 4 leads per investigation. Mr. Anderson noted that states and cities now charge the federal government to perform local agency checks (LAC), and reduction in scope would free resources to help meet these new costs. He advised that Defense has already reprogrammed Defense Investigative Service funds to apply "savings" from scope reduction to meet LAC costs. Mr. Anderson noted that Defense does from 10 to 12 thousand DCID 1/14 investigations on contractors per year. [] said CIA does about [] such investigations per year, and commented that he did not believe coverage for the 10 to 15-year period cost significantly. []

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[] briefed the committee on the subcommittee report. He noted that the basic DCID revision was voted on by SECOM in December 1981. The new text inserts Community-agreed definitions from the revision of DCID 1/19 and changes terminology from SIOs to SOICs. He summarized alternative language on the polygraph and technical changes proposed by the CIA Office of General Counsel. [] addressed the OGC changes. Mr. Anderson questioned the addition of "judgment" to the criteria in paragraph 6a governing eligibility for SCI access. He said he thought it was more of a suitability that a security test. [] stated that the intent of the addition was to provide another subjective criterion to support the government's case in appeals of access denials. Mr. Rubino cited a recent case in Justice in which they denied an access based on poor judgment. Mr. Anderson receded from his concern, and members agreed to the addition. Mr. Anderson next questioned the change to paragraph 16 which would expand a sentence to read: "any doubt concerning personnel having access to SCI shall be resolved in favor of the National security and the access shall be denied." He stated that access is not always denied if operational requirements are deemed compelling by a commander. He said he could accept "should" in place of "shall," but would prefer that the change not be made. [] said he had no problem with "should" and suggested that the change also add the words "or revoked." All agreed to add the words "and the access should be denied or revoked." After

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discussion, all agreed to a suggested change to paragraph 4d of Annex B which would limit to 30 days the period during which a subject could appeal a denial reaffirmation. [] suggested another change - to paragraph 19 of the proposed DCID which would require subjects to report issues of security significance and which would remove the potential for subjects to contend that an agency's failure to have in effect a security education program relieved them of the obligation to report such issues. After discussion, members agreed to this change, which would relocate the first sentence of 19a as a new subparagraph 19b (renumbering later elements), and reword the balance of 19a to read: "Individuals are required to inform the department or agency which granted their SCI access about any personal problem or situation which may have a possible bearing on their eligibility for continued access to SCI, and to seek appropriate guidance and assistance. Security counseling should be made available. This counseling should be conducted by individuals having extensive background and experience regarding the nature and special vulnerabilities of the particular type of compartmented information involved." []

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[] asked for consideration of language on the polygraph to be inserted in the DCID. Members discussed, amended and agreed to a proposed new paragraph at the end of the DCID reading "In departments or agencies with policies sanctioning the use of the polygraph for personnel security purposes, polygraph examinations may be authorized in conjunction with access to SCI." Discussion then moved to a proposed expansion of investigative criteria (paragraph 11m of the DCID) to state similar language. Mr. Anderson said Defense could accept only one mention of the polygraph in the DCID in the interest of avoiding undue political controversy. Members then agreed not to insert the new paragraph above and to include the alternative version of paragraph 11m recommended by the Personnel Security Subcommittee. []

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[] asked members to address the scope issue. Mr. Wingfield said Energy strongly supported the 15-year scope because of the sensitivity of nuclear weapons data. Mr. Dean said the FBI supported 15-year scope because it had proved its worth in the past. [] spoke in favor of it as a good means of maintaining a distinction in litigation on access denials between SCI access criteria and Top Secret clearance standards. Mr. Anderson said Defense had been criticized because their past standards for Top Secret clearances had been so much lower than those for SCI access. He said they needed the "savings" from lower scope to free resources needed to bring Top Secret investigative standards up to the level of SCI ones. [] said he was persuaded that the overall Defense proposal would have the net effect of improving security, particularly with regard to reinvestigations. [] expressed his concern that future budget cuts could easily delete the "quid" for the "quo" resulting from scope reduction "savings." [] stated his support for the 15-year scope. [] put the Defense proposal to a vote. It failed by a vote of 6 to 7 (voting yes - OSD, DIA, Army, Navy, Air Force, NSA; voting no - CIA, State, SAFSS, Treasury, Energy, FBI, Justice). [] asked Mr. Anderson to prepare a written dissent to accompany submission of the draft DCID to the DCI for decision. []

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Members then addressed specific points of concern in the draft:

- paragraph 6b(1) -- Mr. Dean asked that the term "cohabitant" be defined if it had other than the dictionary meaning. He withdrew his concern upon being assured that it did have that meaning. Mr. Kachulis questioned the likelihood of the government prevailing in litigation over the requirement that a candidate for SCI access and his immediate family be U. S. citizens. It was commented that this concern is speculative in the absence of an actual case, and the matter was dropped.
- paragraph 11d -- Mr. Dean asked why the standard for credit checks had been changed from 5 to 7-year coverage. Mr. Anderson replied that Credit Bureaus automatically provide 7-year coverage on reports, and that this change simply recognized that. Members reaffirmed this change.
- paragraph 11j -- after discussion, members agreed to change the first part of the sentence requiring checks of overseas duty, etc., to read: "When employment, education or residence has occurred in foreign countries...."
- paragraph 12 -- after discussion, members agreed to accept the draft language which provides flexibility on investigative checks to be made in exceptional/emergency access cases. [redacted]

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[redacted] then asked for a vote on the overall draft DCID. All members concurred subject to inclusion of a footnote stating the minority position on scope of investigative coverage. [redacted]

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ITEM 2 DCID 1/16 Revision

[redacted] noted that copies of the draft had been sent to members, and that additional copies were at their places. He listed conceptual issues needing consideration:

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- Purpose -- should the draft include a definition and statement of objectives of computer security?
- Exemptions -- are the draft ones so broad as to be inconsistent with the concept of standards? Are they "exemptions" or temporary relief from full compliance? Or is "equivalent compliance" still required?
- Accrediting authority -- the draft cites NFIB members; all other current SECOM policy uses the term "Senior Officials of the Intelligence Community" to designate persons with authority to make management decisions on security issues. A decision is needed on terminology. Mr. Busic wants to retain NFIB members.

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- Communications applications -- there is a need to draw a recognizable and acceptable line between security requirements and NCSC authority for COMSEC matters, or to find a way to accommodate both.
- Networking -- are systems and networks sufficiently and appropriately defined in the draft? How long will those definitions survive in the rapidly changing environment? The third agency rule does not seem to be accommodated in the draft.
- Modes of operation -- do those stated in the draft provide logical and adequate separation? What is the real difference between "multiple" and "concatenated"?
- Classification -- should the document be classified? At what level?
- Proposed fourth level of classification -- if the IG/CM initiative to establish a fourth level is approved, the draft will need to address how to handle data classified at that level.

[] said members undoubtedly had other conceptual issues of concern. He noted that our purpose in this meeting is to identify the principal issues, discuss them, and determine the consensus of members so the subcommittee and staff can be properly guided in refining the draft. []

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Mr. Basic said [] had addressed all major issues except scope of coverage; i.e., should the draft cover all intelligence data or just SCI. [] noted that subcommittee members were not in agreement on scope, communications applications, and a number of other issues. He asked for guidance to the subcommittee, particularly on the scope issue. Mr. Anderson referred to his 22 February memo to the SECOM Chairman (copies distributed at this meeting) which, among other things, recommends limiting the scope of the revised DCID 1/6 to SCI. Mr. Rubino asked what guidance was in effect on communications security aspects of networked systems. Mr. Anderson said he had heard that the NCSC Systems Network Group planned to address that subject. [] diagrammed a hypothetical computer network system to illustrate his contention that new problems beyond the scope of traditional COMSEC are created by networks and need to be dealt with.

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[] cited the need to address two parallel systems of security - one for encryption control and emanations (NCSC jurisdiction); the other for data control and physical, procedural and personnel security (SECOM jurisdiction with regard to intelligence). He stated that an agreement between SECOM and NCSC is needed to demarcate responsibilities. [] said he thought waivers would be needed if the NCSC put out guidance on the whole network subject area. He added that there was a potential in this area for one agency to seek to verify another agency's compliance with guidance through demanding the right to inspect the other agency. [] cited the new electronic telephone system as another area in which technology was blurring previously understood jurisdictional divisions between NCSC and SECOM. [] spoke in favor of limiting the DCID revision to SCI

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to help simplify consultations with the NCSC. Mr. Rubino said the nature of data handling made it difficult to limit policy to SCI without inviting complications elsewhere. [] said we need to consult with the NCSC on this subject, state our acceptance of their rules on traditional COMSEC matter, tell them that we plan to develop security guidance on intelligence data protection and work out the means to coexist. []

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Discussion of the scope of coverage issue showed a consensus to limit the draft revision of DCID 1/16 to SCI. [] was asked to follow through on that with his subcommittee. []

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ITEM 3 Security Awareness Presentation

Showing of [] a videotape security awareness presentation developed by DIA, was postponed due to lack of time at this meeting. []

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ITEM 4 New Business

1. [] asked members to have their representatives on the Personnel Security Subcommittee get their responses in on time to the IG/CM organizational study tasking. []

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2. [] distributed a memo recommending SECOM approval for waiver of DCID 1// requirements to permit the MITRE Corporation to receive intelligence caveated NOCONTRACT and/or PROPIN without case-by-case originator approval. [] advised that this would be dealt with later. []

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ITEM 5 Next Meeting

[] advised that the next regular meeting would be held on Wednesday, 23 March 1983, at 10:00 a.m. in the same room. He noted that it would be followed by the special meeting to hear and discuss program presentations, scheduled for 10:00 a.m., Wednesday, 30 March 1983, in Room 7D32. []

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[]
Executive Secretary

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Security Committee

1 March 1983

JANUARY 1983

<u>Date</u>	<u>Group</u>	<u>Time</u>	<u>Place</u>
17	Security Awareness	All Day	NSA
18	Computer Security	9:30	Jefferson
18	UDIS	10:00	7D32 Hqs
20	TSCS	10:00	Jefferson
21	R&D	13:30	Ames
26	Audio Countermeasures WG	10:00	Jefferson
26	SECOM	10:00	4E64 Hqs
27	Computer Security		
27	TSP	9:30	FBI Hqs

February 1983

<u>Date</u>	<u>Group</u>	<u>Time</u>	<u>Place</u>
8	UDIS	10:00	7D-32
9	Survey Panel		Bolling AFB
16	ACWG	10:00	Westgate
16,17,& 18	Personnel Security	All Day	
17	R&D	1:30	Jefferson
22	Computer Security	09:30	Jefferson
22	ACWG	10:00	Westgate
23	SECOM	9:00	4E64 CIA Hqs

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March 1983

<u>Date</u>	<u>Group</u>	<u>Time</u>	<u>Place</u>
10	TSCS	10:00	Westgate
14	SASC	All Day	FBI Academy
23	ACWG	09:30	Westgate
23	SECOM	10:00	4E64 CIA Hqs
24	R&D	1:30	Ames
30	SECOM	10:00	7D32 CIA Hqs

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